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SIPDIS

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WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
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PARIS ALSO FOR POL  
ROME FOR MFO  
E.O. 12958: N/A  
TAGS: IS KMDR MEDIA REACTION REPORT  
SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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Mideast

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Key stories in the media:  
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The electronic media reported that last night, in his State of the Union address, President Bush reiterated his two-state vision for Israel and Palestine, and said that Secretary of State Condoleezza Rice will discuss with PM Sharon and PA Chairman Mahmoud Abbas "how we and our friends can help the Palestinian people end terror and build the institutions of a peaceful, independent, democratic state. To promote this democracy, I will ask Congress for USD 350 million to support Palestinian political, economic, and security reforms." The electronic media also quoted the President as saying: "We expect the Syrian government to end all support for terror and open the door to freedom" and cited his remarks that "Iran remains the world's primary state sponsor of terror -- pursuing nuclear weapons while depriving its people of the freedom they seek and deserve." Bush further commented: "We are working with European allies to make clear to the Iranian regime that it must give up its uranium enrichment program and any plutonium reprocessing, and end its support for terror."

All media highlighted the acceptance by Sharon, Abbas, and Jordan's King Abdullah of Egyptian President Hosni Mubarak's invitation to a summit meeting in Sharm el-Sheikh on Tuesday. Ha'aretz quoted GOI sources as saying that the summit will conclude with the announcement of new security understandings between Israel and the PA. Yediot says that the end of the Intifada will be proclaimed at the conclusion of the talks. Leading media reported that Egypt and Jordan are expected to announce at the summit that they are returning their ambassadors to Israel. Channel 2-TV and other media reported that Israel will not agree to discuss diplomatic issues being raised at the summit. Ma'ariv reported that King Abdullah has suggested that the 1,000-strong Jordanian army's "Bader" brigade be stationed in the northernmost part of the West Bank, that Abbas agreed to the idea, but that Israel is hesitant on the matter.

Israel Radio reported that this morning, Sharon convened the restricted diplomatic ministerial committee to discuss the transfer to the PA of security responsibility in the cities of Jericho, Bethlehem, Ramallah, Qalqilya, and Tulkarm. Defense Minister Shaul Mofaz proposed to his colleagues a series of gradual, cautious and reversible steps to restore security relations with the PA -- concerning prisoner release, the reopening of border crossings, etc.

Yediot reported that Israel will pardon Muhammad Deif, the most wanted Palestinian activist, who is responsible for the deaths of 90 Israelis, provided he pledges to refrain from planning and being involved in terrorist attacks. Israel Radio quoted Vice Premier Shimon Peres as saying that he approves the release of wounded Palestinian prisoners "with blood on their hands."

Israel Radio reported that Mofaz has ordered the demolition of settler outposts in the West Bank.

Ha'aretz reported that the IDF and Shin Bet are increasingly concerned by a series of harassment acts by extreme right-wing activists aimed at religious IDF

officers who live and are stationed in the territories.

Jerusalem Post reported that the Yesha Council of Jewish Settlements in the Territories is quietly supporting a legal forum that is lobbying the GOI for land inside Israel to relocate several Gush Katif (Katif Bloc) settlements.

In an interview with Jerusalem Post, Interior Minister Ophir Pines-Paz (Labor) praised the upcoming Sharon-Abbas summit, but warned that a Gaza Strip withdrawal cannot be taken as a foregone conclusion.

All media reported that German President Horst Koehler started his speech to the Knesset on Wednesday with remarks in Hebrew, in a bid to assuage criticism by some politicians about him delivering his speech in German. (Health Minister Danny Naveh and other Knesset members walked out of the plenum in protest.) Koehler, who also visited Sderot, stated that his country must deal with anti-Semitism.

Ha'aretz and Jerusalem Post reported that Peace Now is calling for the establishment of a commission of inquiry to investigate and, if necessary, order indictments against those, including housing ministers and prime ministers, who lent a hand to the construction of outposts in the territories and thus broke the law.

Leading media reported that on Wednesday, Diaspora and Jerusalem Affairs Minister Natan Sharansky, who chairs the cabinet committee that adopted the controversial decision to apply the Absentee Property Law to Jerusalem, indignantly rejected A-G Menachem Mazuz's charge that the Ministerial Committee on Jerusalem Affairs made its decision improperly. Ha'aretz and Jerusalem Post reported that on Wednesday, Finance Minister Binyamin Netanyahu defended the cabinet decision to the Knesset.

Leading media reported that for the first time on Wednesday, Palestinian security officials demolished an arms-smuggling tunnel linking the Palestinian and Egyptian sides of Rafah. Yediot reported that Wednesday Defense Minister Shaul Mofaz faulted PA policemen for not having prevented mortar fire at Katif Bloc settlements.

Jerusalem Post cited a denial by the IDF Spokesperson of a Channel 2-TV report on Wednesday claiming that thousands of reservists would receive call-ups in the coming days to undergo military training in preparation for the Gaza disengagement. Reporting on a meeting Vice Premier Shimon Peres and Minister Haim Ramon held Wednesday with chief PA negotiator Saeb Erekat and Palestinian security official Muhammad Dahlan, Yediot writes that the Palestinians demanded that Israel demolish the houses to be evacuated in the Gaza Strip, as the PA prefers to build high-rise buildings for Palestinian residents.

Maariv reported that during the weekend, Mofaz met in London with an "unofficial Syrian figure," whom he surprised with his knowledge of Syria.

Maariv reported that in the first public move of this type, a delegation of associates of Jordanian King Abdullah will arrive in Israel today to meet Likud Knesset members. The newspaper writes that Jordan is worried by an initiative put forward several months ago by Likud activist Uzi Cohen to establish a Palestinian state in Jordan and Syria.

Jerusalem Post and Israel Radio quoted Danish PM Anders Fogh Rasmussen as saying this week in a speech at the University of Arhus: "Israel is surrounded by enemies that want to throw it into the sea, and we should recognize that it has a special history. Israel must use somewhat tough measures to defend itself."

Ha'aretz reported that the U.S. may rank Israel among the group of countries not taking action against trafficking in persons -- a move that could result in the imposition of economic sanctions. The newspaper writes that, in its response to questions on the matter from the U.S. administration, the Justice Ministry noted that while Israel has seen grave cases involving the exploitation of foreign workers, and even isolated incidents that can be defined as trade for the purposes of labor, these cases do not meet the U.S. legal definition of trafficking in persons.

Jerusalem Post quoted a source close to the suit against the Arab Bank, which has allegedly funded Palestinian terror operations, as saying that the New

York branch of the Jordanian bank is now being investigated by U.S. Treasury bank regulators for money laundering.

Yediot reported that many Israelis have given up on the idea of obtaining an immigrant visa to the U.S., because of the United States' tough policy in the matter. The newspaper reported that there has been a 23 percent drop in issuance of immigrant visas by the U.S. Embassy in Tel Aviv. Yediot reported that Ambassador Dan Kurtzer has recently told Foreign Ministry D-G Ron Prosor that this policy is part of the attempt by U.S. authorities to cope with illegal employment of young Israelis in the U.S.

Erratum: Wednesday's Media Reaction report mentioned: "Ha'aretz recommends that those 'with blood on their hands' not be included [among Palestinian prisoners to be released]." It should have read: "Ha'aretz reported that the Shin Bet recommends that those 'with blood on their hands' not be included."

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Mideast:  
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Summary:

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Diplomatic correspondent Aluf Benn wrote on page one of independent, left-leaning Ha'aretz: "From Sharon's point of view, the official invitation to Egypt ... marks the end of the international isolation."

Chief Economic Editor and senior columnist Sever Plotker wrote in the lead editorial of mass-circulation, pluralist Yediot Aharonot: "The summit of the Intifada's end constitutes, to begin with, a tremendous personal victory for Ariel Sharon."

Diplomatic correspondent Ben Caspit wrote in popular, pluralist Maariv: "What is going to happen on Tuesday at Sharm el-Sheikh?.... In any case the Prime Minister has nothing to lose there. For Sharon it will be the hero's return. For Abu Mazen it is the point of no return."

Conservative, independent Jerusalem Post editorialized: "Don't get us wrong, we appreciate the warming in relations. But if Egypt wants Israelis to consider it a credible mediator, let alone a leader toward peace, summits, hints and promises are not enough."

Senior columnist and chief defense commentator Zeev Schiff wrote in Ha'aretz: "In the steps he has recently taken, Mahmoud Abbas has revealed another aspect of Arafat's character."

Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in Yediot Aharonot: "Terror activity in general has been suspended, but it is in fact the quiet in Hamas that arouses suspicion."

Block Quotes:

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I. "A Surprise Invite"

Diplomatic correspondent Aluf Benn wrote on page one of independent, left-leaning Ha'aretz (February 3): "From Sharon's point of view, the official invitation to Egypt -- for the first time in his four years in power -- marks the end of the international isolation. If the leaders of the Arab world are hosting Sharon, he will be a welcome guest in every capital. But Sharon is less concerned today with his global image, and is, as per usual, busying himself with internal survival. The photo-op with Mubarak, Abbas and Abdullah will illustrate to the people at home that Sharon is bringing peace.... U.S. President George Bush wants democracy in Egypt, Jordan and Saudi Arabia, but right now, he needs peace and quiet in Israel. The Sharm summit is supposed to herald the renewal of the peace process, and to ensure that when he arrives in Washington in some 10 days time, [Egyptian intelligence chief Omar] Suleiman will be welcomed with cheers and pats on the back for his mediation efforts."

II. "To Sinai, Not in a Tank"

Diplomatic correspondent Ben Caspit wrote in popular, pluralist Maariv (February 3): "What is going to happen on Tuesday at Sharm el-Sheikh? An historic opportunity or a photo opportunity? In any case the Prime Minister has nothing to lose there. For Sharon it will be the hero's return. For Abu Mazen it is the point of no

return. He is standing on the bank of the Rubicon hesitating. At Sharm el-Sheikh [others] are expected to give him courage.... Sharon is in no state of euphoria. If Shimon Peres is like a balloon floating in the air, full of imaginary plans, Sharon is the little boy on the ground holding the string. There will be more terrorist attacks and mistakes and crises and failures. Sharon knows that very well. On the other hand why does he have to put Abdullah and Mubarak in the same boat, and everyone else who wants to join (except of course Bashar Assad)? Perhaps it is so that he can blame them all [in the event of failure] or at least share the responsibility with them.... Two fateful weeks await Sharon and us. Condoleezza Rice on Sunday, the Sharm el-Sheikh conference on Tuesday, then the compensation law for the settlers who are to be evacuated, then the disengagement vote in the cabinet, then the security fence vote in the cabinet and the budget vote in the Knesset. What more could we want? Sharon is calm and is keeping his eye on the ball. He is focused on the target, but he is also worried. He knows his political situation is not simple. He is no stranger to our volatile political system. He knows the dangers which lie in wait for him, and for us."

### III. "The Summit of the End to the Intifada"

Chief Economic Editor and senior columnist Sever Plotker wrote in the lead editorial of mass-circulation, pluralist Yediot Aharonot (February 3): "The summit of the Intifada's end constitutes, to begin with, a tremendous personal victory for Ariel Sharon, the Prime Minister of Israel, who just a short time ago was declared by Arab public opinion to be an arch murderer, who drinks Palestinian blood, who is off bounds for any dialogue. Sharon's determined stand against Arafat proved itself and bore fruit for Israel. Ever since Arafat's death, there has been a deep positive change in relations between the Palestinian Authority and Israel. The four-way summit in Egypt will also grant an umbrella of pan-Arab prestige to Abu Mazen's position as the leader of the Palestinian state and will strengthen the Middle East policy of President Bush and his administration. The festive pictures of Sharon being genial in the company of three leading Arab leaders will take the place of the pictures of fire and killing, terror and assassinations, which our region has provided in the last four and a half years. This is a substantive change, of true historic significance."

### IV. "Expecting More From Egypt"

Conservative, independent Jerusalem Post editorialized (February 3): "The coming Sharm e-Sheikh summit ... can be construed as a positive development.... [But] if Egypt conceives of itself as a mediator out to facilitate the formulation of new agreements, then the least we can expect is that it adhere to its own clearly stipulated commitments in the carefully drafted treaty it signed, for which Israel relinquished huge stretches of territory -- to say nothing of self-sufficiency in oil supplies.... Instead, Egypt is showing its people that nothing is normal in its relations with Israel and that Israel remains a pariah in the region, undeserving of legitimacy. One need only glance at Egypt's state-controlled press to realize how demonized Israel remains.... All Mubarak needs to do is issue a single directive. He hasn't done so. Don't get us wrong, we appreciate the warming in relations. But if Egypt wants Israelis to consider it a credible mediator, let alone a leader toward peace, summits, hints and promises are not enough."

### V. "The Indirect Message of Mahmoud Abbas"

Senior columnist and chief defense commentator Zeev Schiff wrote in Ha'aretz (February 3): "Through ... steps [to prevent the firing of rockets against Israel and to reduce the clout of Arafat's old guard], Mahmoud Abbas basically, if indirectly, sent [an] important message. The speed and the way in which the deployment of the large force was executed indicated that the force had always been ready, but that someone had prevented its deployment and involvement. In other words, Yasser Arafat did not want to do so because he had an interest in continuing the violent conflict. He did not give the order to prevent the shooting and when someone else, such as Muhammad Dahlan, wanted to do so, Arafat stopped him. When Dahlan showed steadfastness, Arafat dispatched his relative, Musa Arafat, to take action against him.... In the steps he has recently

taken, Mahmoud Abbas has revealed another aspect of Arafat's character. Although he is considered, justifiably, the father of the Palestinian revolution, he was a violent man who used rhetoric and crude lies when he said he was interested in ending the violence. Israel was not the only place he acted this way. He also caused the deaths of thousands of Arabs in Jordan, Lebanon and Syria. This is part of the heritage he left behind him. It is a shame that he also deceived so many Israelis almost to his dying day."

#### VI. "Fear Only the Still Waters"

Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in *Yediot Aharonot* (February 3): "There is no question that there have been changes for the better in the Palestinian Authority of late, a result of the disengagement from Arafat. Terror activity in general has been suspended, but it is in fact the quiet in Hamas that arouses suspicion -- particularly when this radical Islamic organization, like the other military organizations, is not to be disarmed. Could it be that the relative quiet that Hamas has taken on itself lately is not only meant to be used to regroup after the blows it has taken from the IDF, but also to create a new balance of terror and deterrence against Israel and the Palestinian Authority?.... This balance of terror, if it works, is also liable to be copied in the future to Judea and Samaria [the West Bank] against central Israel. Israel should therefore preempt this now. And Abu Mazen should also not delude himself.... Arafat never dreamed of putting Hamas in powerful positions in his Palestinian Authority, as Abu Mazen is liable to do in order ostensibly to shore up his rule.... There is no doubt that there is a pragmatic side to Hamas, one that respects the government, in the spirit of the Muslim Brothers, but this movement still wants to take over the Palestinian camp and to turn it into a religious state under Hamas leadership naturally. Of this the Palestinian adage says: 'Fear only the still waters.' Does Israel know this saying?"

KURTZER